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LABOR AND CAPITAL.

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LABOR AND CAPITAL.

§ 1. *What is labor?*

It is any man's or woman's efforts to live and prosper, whether of body or of mind, or of both; whether in agriculture, or commerce, or manufactures, or mechanics, or in either of the numerous branches of these great and comprehensive pursuits; whether in the useful or fine arts, in digging ditches or digging out the sciences; whether in a professional career, or in making books; in teaching, or in study; in legislation, or in government; in making pins, or casting cannon; in the use of hands or of feet, of fingers or of toes, of muscles or of brains; in search of knowledge, or in its application; in inventions, or their uses; in making canals, or building ships; erecting railroads, or constructing locomotives; in burning lime or brick, in quarrying or in masonry; in wielding a sledge-hammer, or making watches; in grinding knives, or selling brick-dust; in fishing for oysters, or harpooning whales; in any one of the thousand occupations, of the city or the country, on the land or on the sea; and so on, and so on, to the end of that infinite diversity of human pursuits, by which men and women toil for a livelihood, and to get on in the world. In a free country each one chooses his own vocation, and it is not easy to say, whether mind work or muscular effort is hardest.

§ 2. *What is capital?*

Money is usually called capital. But it is not exclusively so, unless it is intended to comprehend everything that will fetch money; or everything that is *worth* money. In this sense labor is capital. Labor, certainly, is the foundation and cause of wealth. All the world would be poor, and come to nothing without it. Whatever any man has, which others want, and which, being wanted, will fetch money, whether it be a capacity for labor, or any species of property, it is capital. For any man, therefore, to know how rich he is, or how much capital he has, he has only to inquire *what he can do and what he has* that will fetch money.

§ 3. *The capital of labor.*

He who is able to work, and who can find employment with fair pay, is rich to begin with, and may become rich in the usual sense of the term. A power to labor, where labor is in demand, is the best, most independent, and most productive of all capital. Money at interest, or in stocks, usually produces, in this country, an income averaging perhaps six per cent. Some get more, some less, and some none at all. They are liable to go backward, and lose principal itself. But labor, with economy, can hardly ever be worth less than fifty per cent. That is, a laborer can live satisfactorily, and lay up, as vested capital, half of his wages. In some kinds of employment, he can lay up three-fourths, it may be more than that. Economy and skill in the management of his earnings, may also be made productive of wealth, in addition to the profits of his labor. Some laborers, by a careful use of past earnings, soon get to realize a hundred per cent. on their capital, including labor; and then they are growing rich, wealthy. Industrious labor of any kind, in a country like ours, with economy, and being applied where labor is in demand for wages, is a sure foundation of wealth. Man does not have to labor to acquire the power. It is a capital with which he is endowed by creation, an independent faculty, and more productive than any other.

§ 4. *Skill in labor, and in the management of its avails, is capital.*

Man has not only bones, sinews, muscles, and other powers of bodily labor, but he has mind to direct it, to improve in it, to make it more available, to put all its proceeds to a profitable use, and to improve even its uses. Labor turns bodily power to account, and skill multiplies the profits of labor, so that when a man gets a-going in the world, he goes fast. Riches flow in, and wealth accumulates. A man's power of labor is limited; but his skill is unlimited. Skill is often a thousand times more productive than what is commonly called labor. But, it is to be remembered, that skill itself is the fruit of the labor of mind, or is the employment of mind, as muscular effort is labor of the body. But skill is capital. It is equally applicable to agriculture, as to manufactures; to the mechanic, or the useful, or fine arts. It is applicable to trade and commerce, to every pursuit and occupation of life.

§ 5. *Enterprise is capital.*

It might seem quite unnecessary to say, in view of what enterprise has accomplished in and for this country, from the beginning of our history, that enterprise is capital. With slender means, it has evoked unbounded wealth from the long repose of a continent, and erected thereupon a vast national estate. No other species of capital has contributed so largely to this stupendous result. As the collective power of national enterprise is composed of individual enterprise, we find accordingly the same character in isolated conditions, chequering the whole surface of society with great achievements effected by single persons. There was capital enough in the soul of Washington, to humble the greatest nation, and to make another, with

means that would have been laughed to scorn as a subject of prophecy. In all our history, and in the various walks of life, are to be found like miracles of enterprise, originating in the profound and inexhaustible wealth, and carried forward to consummation, by the invisible power of man's moral attributes.

§ 6. *Moneyed capital.*

Money is most coveted, because it is most convenient; and its convenience arises from the fact, that it will procure, in exchange, everything which a man wants, or desires. But, in itself, it is dead capital, and the least worthy of respect or affection, as compared with labor, and skill in the application of labor and its avails. When money is put to use, it is said to be active; but it has no natural, inherent productive power. Hoarded money, while in that state, is no better than rusty old iron in a farmer's garret. And when put to use, the income is not the natural product of a natural agent, or natural effect of a natural cause, but a mere commercial result, which is limited and small as compared with the products and avails of labor, and that little is contingent on good management and good security. The principal itself is subject to the same contingency.

Nevertheless, moneyed capital may be an important instrument in the hands of the owner, and is usually an effective power, within certain limits. It will always supply wants, and gratify desires, so long as it lasts. But as productive capital, put to use in the hands of second and third persons, for the increase of itself, it bears no proportion to the productive power of human labor and skill. The fact, that they who employ money, can afford to pay interest for it, and often double, sometimes quadruple the principal sum annually, by the use of it, is proof of this point.

§ 7. *Vested capital.*

By vested capital is commonly understood money put to use for what is called interest or income. The most common forms of vested capital, are bonds, mortgages, negotiable notes, silent partnerships in business firms, stocks in banks, insurances offices, turnpike and railroads, canals, fishing companies, great commercial enterprises, steamboats and steamships, navigation companies, manufactories, state and government securities, and any undertaking that is beyond the ordinary means of individuals, and which requires the combined and aggregate capital of numerous persons having money to put to use. The capital of corporate companies or bodies, formed for these objects, is usually divided into small shares, which, being made negotiable, that anybody can buy or sell, are thence called *stocks*.

§ 8. *Corporations.*

The object of corporations is to combine the surplus or spare capital of numerous individuals, for enterprises which are usually beyond the reach of single persons. Properly organized by the statute of incorporation, by a division of the capital into small shares, and securing to men of small means equal chances, they are well adapted to a democratic state of society, by bringing down the powers of government, distributing them among the people, and vesting them in the hands of all persons who can raise twenty, or fifty, or a hundred dollars, according to the price of shares. Few and large corporations, monopolizing power in their own specific spheres, are objects of popular jealousy, and justly so. But the multiplication of them, with moderate capital and powers, divided into small shares, spreads them out over the surface of society, and whatever powers they have, be it more or less, is so much resigned by the government, and vested immediately in the hands of the people, who are able and disposed to be owners of stock. It is a wider and more democratic distribution of power. The responsibility of the managers, is to the stockholders for the use of the capital, and to the government, and through the government, to the great body of the people, for the use of their powers. That is the best, most democratic, and most beneficent system of corporations, which enables and encourages laborers and men of small means, widows and orphans, and the more dependent and helpless portions of the community, to become interested in them, by the investment and application of their funds, which they themselves could not employ to advantage. For example:—Two men, in partnership, were joint-owners of mills of great value in the state of Maine, and one of them died, leaving a widow and several children. The widow and children, of course, could not manage such a business; but by an act of incorporation from the state, the widow and the guardians of her children became corporators and managers, and the joint-interest went on as before. It will be seen, that cases are constantly occurring in society, which require the aid of such privileges. All helpless persons, who have capital enough to support them, but who are unable to manage it, naturally resort to such helps provided by the state, in parental care, and by considerations of humanity, as well as for the general welfare.

§ 9. *Laborers may be stockholders and corporators in corporate companies.*

The town of Lowell, in Massachusetts, which has risen from nothing in twenty years, to a population of more than *twenty thousand*, has between *eleven and twelve millions of dollars*

vested in her manufactories, employs upwards of *nine thousand laborers*, male and female, pays for their work annually \$1,800,000, about fifty per cent. of which, on the average, or \$900,000, they can save, or lay by, after paying their board and necessary expenses. Their savings support a Savings bank in the place, where deposits are constantly being made. Some of them, after having laid up a satisfactory sum, go home with means to settle down for life, while others vest their savings in the manufactories, and become stockholders and corporators—managers of their own stock, and presiding over themselves as laborers, gradually accumulating their interest in these companies. In one manufactory alone, \$100,000 of stock is owned by those who work in the factories for wages; in another \$60,000; and so on. Factory girls, and women who live by their needles, are often stockholders in these and other institutions. It will be observed, that in all these cases, the capital of labor creates the moneyed capital thus or otherwise vested, and that in the case of a laborer at Lowell, who receives in wages \$200 a year—that is the average—and lays up one hundred dollars, the profits of labor are *ten to one* of the income of moneyed capital at five per cent. In other words, the profits of labor in these cases, are *fifty per cent.* on the cost or principal, that being \$200.

§. 10. *The effect of corporations on the general welfare.*

1. *Manufactories.* In our tract on the Tariff, No. III., we took occasion to adduce the case of the Glenham woolen factory of Fishkill, N. Y., with a capital of \$140,000, which, as proved, actually employs other capital of the country, chiefly agricultural, but yet embracing a variety of other kinds, in all to the amount of \$1,432,000. From this aggregate of other capital, thus employed, it will easily be seen, what a great variety of other occupations find a profitable employment by this investment of \$140,000. Among the items specified, we notice 66,000 sheep, 22,000 acres of pasture land to feed them, 2,600 acres of farm land to supply the wants of the families belonging to the factory, and \$8,000 annually used up in the small articles of teazles, firewood, coal, provender, &c. All the laborers and their families belonging to this factory, are, of course, supported by it. All the farmers connected with this establishment, and the owners of the 66,000 sheep, are also supported by it, to the extent of their investments thus employed. It will be seen that the individuals and families connected with the capital of \$1,432,000 employed by this factory, are neither few in numbers, nor small in the aggregate of their various interests. All of them derive their support from this source, and it is satisfactory, else they would look to another quarter.

Let us carry out the rule furnished by these facts, to another and more comprehensive stage. The entire capital vested in all the manufactories of the United States at this time, is estimated at \$300,000,000, (*three hundred millions of dollars*). If we suppose that this aggregate, thus vested, employs an amount of other capital of the country, corresponding with the case of the factory at Fishkill, as above stated, then the whole amount of the other capital employed, and profitably employed, by the manufactories of the Union, would be \$3,068,571,428, or a little over *three thousand millions of dollars*! This is doubtless an unexpected, it is even an astonishing result. It may be, that other manufactories, different in kind, do not employ an equal proportion of other capital; there are doubtless some which do not; but some, for aught we know, may employ a greater proportion, enough even to swell the aggregate. The vastness of the amount, at the lowest possible estimate, is sufficient to show the importance of these corporations to the various occupations and interests of the country. There is no occupation, however humble, no man, however poor, that is not materially affected and essentially benefited by them. The wool growing interests of the country, which are chiefly connected with our manufactories, and sustained by them, are estimated at *two hundred millions of dollars*, and the farmers of the country receive annually from the manufactories, for all their various supplies, an aggregate of *sixty six millions of dollars*, which is nearly *nine times* as much as the avails of all our exports of flour, beef, and pork, to all parts of the world. Massachusetts, a great manufacturing state, alone consumes annually more than *forty millions of dollars* of the products of other states, which is nearly a moiety of all our exports to foreign countries.

2. *Collateral evidence.* The assessed value of property of all kinds in the state of Massachusetts, as reported by her legislature in 1841, is *three hundred millions of dollars*. As it is known that official assessments of this kind are very much less than common estimates, often *fifty per cent.*, on an average, in Massachusetts probably *twenty five per cent.*, it may, perhaps, be fairly assumed that the aggregate value of the property of that commonwealth, is not less than *four hundred millions of dollars*, about one fourth of which, or *one hundred millions*, lies in Boston and its immediate vicinity. The capital vested in the manufactories of that state, is about *fifty millions of dollars*. We have endeavored from the best sources of information to ascertain, as near as possible, the amount of value imparted to the wealth of Massachusetts by the manufactories, and the result is, that it can hardly be less than *one hundred millions of dollars*. It has been stated as high as *one hundred and fifty millions*. That the first of these statements is not too high, may be presumed from the fact, that the assessed value of all the

property of the state of Maine, with a little less than two thirds of the population of Massachusetts, but three times as much territory, is only *seventy millions of dollars*, resulting apparently from the fact that she has few manufactories.

Sir Robert Peel, in his speech at the agricultural meeting at Tamworth, England, in 1843, said:—

"Therefore, gentlemen, in this favored locality, we have no excuse for being behind-hand in the race of agricultural prosperity. Another advantage we possess is, that we live in the neighborhood of a great manufacturing district, and you all know of what importance Birmingham and the great iron district in its neighborhood is—you know also what influence it has in the demand for your agricultural produce, and you have had ample experience that with the decay or increase of the prosperity of that district there are corresponding sympathies on the part of the agriculturists. Thus you have not only a country formed by nature, but possessing the advantage of a great manufacturing district in its immediate neighborhood, and creating a market for its produce."

Every one will see, that this species of evidence is to the same effect, and of the same value, in all parts of the world.

3. *Canals, railroads, &c.* The construction of works of these kinds, disburses over the country the entire amount of their cost, be it more or less, giving employment to laborers, manufacturers, mechanics, artisans, and various classes, who do the work, supply materials, and aid in accomplishing the end. We have not the means for an exact statement of the cost of these works, already completed or begun in the country; but the aggregate must be very large, not less, probably, than some hundred millions. Most of this has been realized by laborers of various classes employed to do the work and supply materials. And it is to be understood, that if all these works were good for nothing when done, the money which they cost has all passed into the hands of those who made them. But in most cases they answer their design, and contribute permanently to the employment and profits of labor, and to the activity, facility, and profits of the business of the country, on an immense scale. They also enhance the value of the property of the country to a great extent. A gentleman owning a very large estate in the commonwealth of Pennsylvania, though not bordering on her public works, told us he would be glad to be taxed at any moment for his fair proportion of the whole amount of the state debt, and that such a tax would be but a fraction of the increase of the value of his property on account of these works. If this be true, as doubtless it is, the state, though encumbered with a public debt, by the erection of these works, is yet richer on account of them. The only embarrassment is, how to liquidate the debt most satisfactorily to the people of the commonwealth. All the erections of this kind, whether made by states or by corporate companies, are greatly beneficial to the wide community, in the disbursement and realization of their costs, in the permanent use to which they are applied, in the increase of the general value of property, in the additional and profitable employment which they give to labor, and in promoting the facilities and activity of business. All classes, more especially the poorer classes, feel and reap the benefit. Individual capital could not accomplish these great works. It is only by states, or by the combined capital of numerous individuals, in the form of corporations, that such enterprises can be achieved.

These remarks are equally applicable to all other enterprises on a large scale, which can only be accomplished by associated capital. They are beneficial to the whole country, and to all classes, in the same way, and by the operation of the same causes.

4. *Banks.* For want of space, we are forced to refer to our Tract on the Currency, No. II., or to presuppose an acquaintance with it, for a proper appreciation of the few remarks made here. It is a settled fact, that the business of this country can not be carried on without a paper medium, and the only question is, whether it shall be supplied by private and irresponsible persons, shop-keepers, and the like; or by corporations created and regulated by the government, and responsible to it? Experience has decided, that the evils of the former plan can not be endured, and bank corporations are the result of the *necessity* of the public. Their powers are specified, their modes of business regulated by law, and they are held accountable to the authorities which gave them being. They have a reasonable amount of the confidence of the public, and the reasons why that has been in some degree shaken, are exhibited in our Tract on the Currency, which are, briefly, the effects of the mal-treatment of government, in a war against its own offspring. Can a child do well, with a father striking heavy blows on its head?

A good system of banking supplies a sound, convenient, and indispensable circulating medium for the demands of business. It is physically impossible, that the vast trade of this vast country, should be carried on with an exclusive metallic currency. The people *will* use the paper of private and irresponsible persons, with all its evils, if they can not have that of responsible and law-governed institutions. Besides the general soundness of a bank-paper medium, they are usually able, by the conditions on which they are chartered, to supply an *adequate* currency. But not the least of the benefits of a good banking system, is its effect in suppressing exorbitant usury. By far the greater portion of the sacrifices of property in this country, as the consequence of the revulsion of general credit through which we have recently passed, has been occasioned by exorbitant interest exacted by private money-holders, when the

banks could not loan, and all commercial agents were in trouble. Much of the farming interest and other property of the country, has changed owners in this way, by the foreclosing of mortgages, and the original proprietors, who were well off before, have been ruined by merciless usurers. But in the operation of a sound banking system, exorbitant usury is always kept down, because it is forced to moderation, to a specified limit, by law. (*See Tract on the Currency.*)

5. *Insurance companies, etc.* The benefits of these and similar institutions, are too well known to require defence. They absorb a large amount of capital, which is thus put to profitable use, at the same time that it secures the private property of individuals on an immense scale, at a premium which all can afford, if they can not afford to lose it. A ship insured, is lost, but the owners and shippers do not suffer; a house insured, is burnt, but the owner receives cash for the value; a valuable life insured, is lost, but the surviving relatives get an equivalent for the services of which they are deprived; and in this way the most afflicting strokes of Providence are greatly relieved of their severity. Men bear one another's burdens from motives of interest, where charity would be cold and unproductive. It is a beneficent result of civilization.

6. *Corporations secure activity to moneyed capital.* It is best for all, that money should be in constant use. While lying still, it is dead to all the world, and good for nothing. But they who have money, will not trust it to second and third persons, without security. The rights and powers of corporate bodies, are indispensable to evoke hoarded wealth from its hiding-places, and bring it into use for the benefit of society.

7. *Money vested in corporate institutions, is put under the control of general society, through the government.* This is a prime consideration, especially for those who are jealous of moneyed power. The government is virtually trustee of all funds vested in corporate institutions, prescribes the objects to which they shall be applied, and the manner of using them, employs the corporations as its agents, and holds them accountable. The government is supposed to be partial to the public, and will always endeavor to serve and promote the interests of the public. To have the moneyed power of the country under such control, can not but be regarded as better than to have it in the hands of private and exorbitant usurers, or shavers.

8. *There are many important objects indispensable to the interests of the country, which can not be accomplished, except by the power of associated capital.* The objects of the various institutions we have had under review, will sufficiently show this. If they must be done, they can only be done in this way. And what and where would the country have been without them? Half-way back to barbarism.

§ 11. *The controlling power of labor, industry, and enterprise, over moneyed capital.*

We have before recognised the substantial capital and productive power of these capacities of man. We have seen that they are many times more productive than moneyed capital. It remains to show, that, in this country, they command and control the latter. Money and property, we know, among us, are constantly changing hands. A man has only to work on, and wait patiently, and with industry and enterprise, he is sure to get both. The wheel of American fortune is perpetually and steadily turning, and those at bottom to-day, will be moving up to-morrow, and will ere long be at the top. The rich man of this year, may be poor the next, and the wealthy family of this generation, is likely to dissipate its fortune in the next. Scarcely ever does it remain in the same line to the third generation. And where is it, when no longer found with the same owners? It is in a thousand or ten thousand hands. Where the laws of primogeniture and entail are abolished, as in this country, and where everything is put under the control of labor, industry, and enterprise, there is a substantial equality. All property, among us, tends to the hands of those who work and wait for it. They are as sure to get it, as the sun is to rise and set.

Where now is the vast estate of Stephen Girard, of Philadelphia? The *two millions* left in charge of that city, is chiefly in the hands of the lime-burners, brick-makers, quarry-men, stone-cutters, masons, carpenters, carters, architects, artisans, manufacturers, mechanics, lumber merchants, trades of many kinds, and agents of great variety, whose labors, services, and materials were put in requisition for the erection of Girard College without the city, and Girard Square within it. And the immense estate of John Jacob Astor, of New York, where will that be in the next generation? A considerable fraction of it has already gone into the Astor House and other edifices in that city; that is, into the hands of those who built them, and furnished the materials. Every expensive house and establishment that a rich man sets up, scatters the entire cost over the wide community, putting that amount of money and property into other and many hands. Money never stays, except with the miser, and all the wealth of the wealthiest, for the time being, is for the most part in use by somebody, benefitting the poor, and helping those who are not so well off, to rise in the world. It is impossible to keep money and property out of the hands of those who work for it, who are industrious and enterprising. They *earn* it, and they *get* it. And the productive and absorbing power of frugal and industrious labor is so much greater than that of moneyed capital, that the latter stands no

chance in the competition. It must yield, and give up, and it always does. The relative position of the capital of labor and moneyed capital, is, not that the latter commands the former, but that the former commands the latter. Moneyed capital employs labor, because its owner has need of the service; and the second step of the relation is, that the parties have changed places. Labor, industry, and enterprise, in this country, are all absorbing. They lay their hands upon everything. Their compensation is a fair one, as between the parties. The industrious and frugal toil of the last generation, possesses most of the wealth of this. So will it be with this generation, and so with the next. It is the natural order, and necessary result of American society. Labor is the master here; it is the great capitalist; the embryo millionaire; and he who can stand up, in the bloom and vigor of ripening manhood, pure in heart, and determined to prosper, though he has not a penny in the world, may look abroad, and behold a large estate within his reach. Within his own skin, and deep down in his own soul, lies the capital, the productive power, with which he is to trade. All wealth lies in abeyance to these physical and moral energies, and comes into hand at their summons.

§ 12. *The lazy character of moneyed capital.*

We speak of the general character of its owners, and with them, it is not only lazy, but often improvident. Its proposal and its terms are, *use me and give me my dividend*. When men get beyond the necessity of labor, they never like to return to it. They seek repose, enjoyment, and exemption from the rude occupations of life. It is seldom, if ever, that they realize the satisfaction they hoped for. But they have become lazy, and by their lazy position they fall into the power of the active mind of the country. They who work are going ahead, while these fall back on their resources, can command nothing but their dividends, and are fit only to make their wills in favor of heirs, who anticipating the future, are waiting only for the good luck that death may bring them, to dissipate, it may be, the estate that falls into their possession. At best, the investments of moneyed capitalists, are only valuable as they are in demand for use by the active, laborious, and industrious portion of the community, who, of the two parties, always derive the greatest benefit from them, and in the end are likely to have the whole. Labor is all powerful, and destined to supplant opulent indolence, by gaining possession of the means of its luxurious ease. Guard their wealth however they may, "riches take to themselves wings and fly away." There is no law of inheritance in American society, that can secure wealth in the same family line, while it is always open to the acquisition of industrious labor. The gifts of fortune are always tendered to those who toil for them, and snatched from those who riot in affluence. Already we behold no inconsiderable fraction of the large investments of the Lowell manufactories in the hands of those who began there by spinning and weaving, and who still spin and weave. And who that has observed the mutations of society for half a generation, or even a less time than that, does not see the same operation going on everywhere?

§ 13. *The mutual dependence between laborers and moneyed capitalists.*

The rich man can not eat his money; nor clothe himself with bank notes, or gold leaf, or silver plate; nor shelter himself from the inclemencies of the seasons by these materials; nor make of them any of the comforts of life. If he chooses to live at ease, for all necessities, and for all means of enjoyment, he is entirely dependent on those who produce them. For all these he must give his money in exchange, which enables those who minister to his convenience and comfort, to better their condition, and rise in the world. In these very acts of exchange, they are gradually exchanging positions in society. Nor can the wealthy get a return for their investments, or an income from their estates, if there be nobody to use the former, or work the latter. Both parties are served by their relative position for the time being, though it is possible, and not unlikely, that their children will stand in directly the opposite position of their parents, in relation to each other.

The laborer wants the reward of his toil, first for necessities not in his line; next, to add to his comforts; and thirdly, to increase his stock in trade, or augment his estate. But how could he get this reward, if nobody had it to give in exchange for his services? On the other hand, the consideration paid would be of no value or use to its owners, except as it is in demand by those who carry on the active business of society, and minister to its wants.

§ 14. *Which of these parties is more benefited by the other?*

It is true, that the moneyed capitalist wants his dividend; but the profits of labor, united with moneyed capital, well applied, are many times greater than the proceeds of money as an investment in the usual forms. Labor is the source of all wealth, and with money, as tools in hand, multiplies the principal in manifold quantities. The laborer, working on his own estate, gathers the rich harvest into his own barns, and gives the moneyed capitalist a small fraction for the use of his sickle—for moneyed capital, in the hands of labor, is only an instrument. Or if he works on the estate of the moneyed capitalist for wages, as at Lowell, he soon gets enough to retire in a condition to satisfy his ambition, or becomes part owner of the

estate, gradually gaining on the original proprietor, with the prospect of supplanting him. Such is the advantage of labor, united with skill and enterprise, over the mere instrument which it employs.

§ 15. *Labor the original and fundamental power of society.*

The recognition of the true position of labor, in relation to moneyed capital, is of no inconsiderable political importance. We mean its position in the actual state and practical operation of American society, where labor is free and sovereign, and not as it stands under a despotism, or in the monarchical and aristocratic countries of Europe. It is our own politics, and our own political powers, with which we have to do. In this country, labor, since our independence was acquired, always has been and still is, not only an original and fundamental, but a controlling power in society, and in the state. We are characteristically and distinctively a nation of *workers*. There are some who do not work; but most people do. Work is the fashion, and the proudest distinction in American society. Nobody looks with respect on those who live in idleness, or who riot in luxurious ease. To have no business, is a kind of living death. A man is lost, who does not work.

Moneyed capital, with us, is a mere *tool* in the hand of labor, and is good for nothing, except as labor will bid for it. The millionaire would be scarcely better off than the owner of a single penny—not even so well off, in regard to his physical wants—if he could not call the laborer into his service; whereas the laborer is much more independent, and can better do without the rich man, than the rich man can do without him. This independence, this high ground of labor, is perfectly well understood in this country, by all parties. As the great majority are workers, and all workers sympathize with each other, the ground they occupy is not only an elevated social position, but a controlling political power. Just show the working power of the country what laws, and what policy of government, will be best for it, and the ballot box will soon demand those measures. Who will say that this demand can be successfully resisted? Who, regarding the well being of the country, would desire it?

§ 16. *The true and best interest of moneyed capital.*

It is to give labor a fair reward, and to make it profitable. But as this can not be forced, as between the parties, trade being always a voluntary transaction, the ability to do it can not be separated from the action of government. All workers, therefore, as well as moneyed capitalists—all laborers are deeply concerned in supporting a public policy, which will put labor in good demand, and thus enable it to command a good price. This depends entirely upon the proceeds of moneyed investments. While these are good, labor will be in demand, and the price of it, or its wages, will be proportionately high. Moneyed investments are sure to pay well, if it can be afforded; and the more they can afford, the better for them. But generally, this ability to give good wages, depends very much, sometimes entirely, on the policy of government, in the privileges it confers on such investments, and the chances it gives to them. If the government wars against them, instead of extending to them its fostering care, if it endeavors to cripple and break them down, instead of protecting and sustaining them, this hostility may and does injure the moneyed capitalist, by rendering his investments insecure and unproductive; but it injures the working classes of the community much more. The rich can hide themselves in a storm of government hostility, though they may be losers; but the poor perish, or are in great distress, for want of employment. Our remark above on the comparative independence of labor, applies to an ordinary state of things, and not to a crisis of this description.

§ 17. *A false notion.*

It has been a prevalent and fatal doctrine in this country, with a certain class of statesmen, that it is always a safe policy and a duty in the government, to fight against moneyed capitalists, in whatever place or shape they lift up their heads, whether in banks, or in manufactories, or in any and all other forms and enterprises requiring associated capital. In this, it is not considered, that the employment and thriving of the people depend on the profitable investment of the moneyed capital of the country; nor that the wages and profits of labor, and the price of its products, depend on the profits accruing from the use of the moneyed capital which labor employs. Moneyed capital is regarded by this policy as a master, not as a servant and instrument; as a hostile power, not as a friendly auxiliary; as having in itself a faculty of independence, not as deriving all its value from labor; and as aiming to acquire a supremacy over society. But a little reflection, in view of what has been said, one would think, ought to show, that the condition of moneyed capital, in this country, is *passive* in the hand of labor, and not *active* to rule over it, and that it is not possible to change this relation of dependence in the former on the latter. Moneyed capital, in itself, is an *inert* power, and derives all its vitality from the touch of labor. For government, therefore, to open the way, by its policy, for the profitable use of money, is the same as to provide for the success and fair reward of industry and work; and that policy which

destroys the profit of money, destroys the profit of labor. Let government strike at the rich, and the blow falls on the heads of the poor.

§ 18. *The effect of allowing foreign labor to compete with home labor, on the same level.*

Estimating the value of moneyed capital in any country by the average price, or interest, paid for its use, American moneyed capital would fall at once to about two thirds of its present value, and the price of home labor would sink to about one third—or jointly the depression would be fifty per cent.—and the value of all other property would sink in like proportion. For it is manifest, that, with no tariff to protect us, the price of American labor must fall to the average price of European labor. They who work for the same market, must work for the same wages. Besides this, we should, to a very great extent, be driven from our own market as producers, and forced, commercially, into the condition of a dependent and tributary colony. [See our Tract on the Tariff, No. III., for a farther elucidation of this point.]

§ 19. *A comparative view of the position of labor in America and Europe.*

We have told in the outset what we mean by labor. IT IS THEY WHO WORK—REAL WORKERS, no matter *in* what, or *with* what, or for what *end*, if it be lawful and honorable work, to supply the wants of civilized man, or the increasing wants of advancing civilization. The more wants, the more work, and so much the better for all, where each chooses his own calling, and finds employment.

But the position of labor in this country is, in a variety of important particulars, a new one in human society. 1. It is *free*—with the exception of African slave labor. This species of freedom, which is a most important attainment in the progress of society, implies a practicable *alternative* to working on wages *at the price fixed by the employer*. In Europe, for the most part, there is no such alternative, and the laborer is *compelled* to work at a price in which he has no voice, *or he must starve*; and for the reason that he has no voice in fixing his wages, they are too scanty for comfort, much more for bettering his condition, and often too scanty for subsistence. European wages are next to a state of *starvation*. At best, it is a state of *slavery, without hope*. But in this country, labor occupies a *high social and political position*. It is never *compelled* to work for wages fixed by employers, because there is always open to it the *alternative* of working *on its own hook*. American labor, therefore, does not *accept* a price imposed, but *commands* its own price. At least, it is always an *independent* party in the compact. It is made *freely*, and can be as freely dissolved, without incurring the doom of starvation or distressing want. 2. The *social* position of American labor is such, that none but workers are held in respect—and work is held in the highest respect. No power, in this country, can enforce respect for the man who has nothing to do, and who does nothing. Just in proportion as a rich man retires from society, to wrap himself up in selfishness, does he lose his influence, and the idle, lazy poor man attracts little pity in his poverty. Our fathers brought with them both the necessity and spirit of work, and made it respectable. It has been transmitted as the highest recommendation, and the most honorable character. 3. The *political* position of labor here is all-powerful, and so long as it is so, it can not but be respectable. As a nation of workers, we *demand* from Government a security for the interests and rights of labor, and one of those rights is, that *free* American labor shall not be put on the same level with the *forced* labor of other countries, or any country. It is only necessary for the people of this country to understand correctly what the true interests and rights of labor are, and they are sure to have them secured at the ballot-box. No earthly power can hinder it. What more elevated or more commanding position, can labor possibly occupy? The free American laborer is the most powerful, and may well be the proudest of men.

§ 20. *The dignity of labor.*

“The mandate of God to his creature man is, *WORK!*” “The GENIUS of work is the Conqueror, the supreme Lawgiver, the *bern* King over affluent idleness.” “The Leaders of Industry are the Captains of the world. If there be no nobleness in them, there will never be an aristocracy more.”

This is higher-toned phrase than we are addicted to employ, as they who read us well know. Nevertheless, as there is such a vast body of comprehensive truth in it, we have borrowed it for the sake of brevity. It plants labor where God intended it should stand, in the loftiest, most influential position. The *plan* of Creation is visible in her works. Behold the constitution of man, contemplate the character of his mind, and judge, if he was not made for work, if idleness is not a disease, a fatal malady. Creation itself is called the *work* of God. “In the sweat of thy face shalt thou eat bread,” which, though announced as part of the doom of the first transgression, is, by the remedial scheme of man’s redemption, converted into a *BLESSING AND A DIGNITY*. Earth is a work-field, and heaven a rest. It is as bad, as vicious, not to work here, since God has so appointed, as to violate any other

precept of Divine authority. The example of God in the work of Creation, and the example of Christ in the work of Redemption, aside from the force of command, impart the highest possible sanction and the highest possible RIGORITY to those labors of man which have become necessary in this life. Human labor will never have attained its true position, till it shall stand at the head of human affairs. "The Leaders of Industry are the Captains of the world." Such was the design—such is the tendency. They who work, *will govern*. We know it has not always been so, and that was a vicious state of society when and wherever it was not so. We know that labor has not, in all history, received due homage. But this fact does not affect, nor impair the validity of its claims.

§ 21. *The physical and moral healthfulness of labor.*

Doubtless, in the best possible state of human society, labor should be neither a toil, nor a task, but the healthful action of all the faculties, bodily and mental. Labor, in most parts of the world, has been so unequally divided, that parts of the race have been excessively burdened, while others have suffered equally for want of a proper share. The pauper or forced labor of Europe is an example of the first, and the pampered ease of its masters an example of the second. The whole Eastern world is full of scenes of this kind. But wherever labor is rising, or has risen to its true position in political society, we observe both the physical and moral healthfulness which it diffuses all around. It is good for man and woman to work, and neither can find the greatest comfort and happiness attainable in the human state, without employment. Nor is it possible, without diligence in some industrial pursuit, to have the best state of health in body and mind. The results of Providence, reveal and announce his designs, viz., that idleness is the curse of the human state, and diligent occupation, in a lawful and useful calling, the consummation of its blessedness.

§ 22. *The content of labor.*

When society shall have made labor what God designed it should be, it will present a happy scene of contentment. Specimens are frequently found, in actual life, to illustrate this desirable state of things. Who has not seen them? And who, seeing, has not envied them? Behold the farmer, happy in his own domain; and listen to the housewife, joyously exulting in song, in the midst of her children, or soothing her infant to repose with a hymn of early love. The wagon boy's whistle, the woodman's laugh, the boatman's glee, the sailor's jolly face, and all the forms of labor's rest on the past, satisfaction in the present, and hope in the future, are so many various symptoms of labor's content. What industrial calling has not its quiet aspects by day, and its refreshing sleep at night?

§ 23. *A new Era of labor.*

It is impossible not to observe, that labor has taken up a new position on this continent, in our state of society, and that a new Era in its social and political importance, is opened on the world. If no interruption should take place in its progress, it will be the true Millennium of labor. During the long nightmare of despotic rule over the European and Eastern world, the breast of humanity felt its heavy tread, and the toiling millions were unable to rise. But here labor has sprung to its feet, lifted up its hands on high, clapped them with joyous exultation, and learnt a new song of freedom—THE REWARD OF LABOR. It has risen, at one bound, to influence and authority. There has never before been such a scene in the history of civilization. And the most remarkable and most auspicious feature of it is, that it occupies a wide theatre—a vast domain of political power. Erect, in the image of God, imitating and obeying God, as a diligent worker, man here has taken possession of his primitive estate, so long alienated, and cultivates it as his own, himself the heir of his own created wealth; and not only the heir, but the sovereign disposer thereof. We know not what may grow out of this new form, this apparently auspicious development of human society; but it has much contingent promise of perpetuity, enlargement, confirmation, and final consummation in all that could be hoped for.

§ 24. *The contingency.*

A *protective Tariff* is the sole palladium of American labor. Without that defence, it is as sure to fall back *prostrate* on the level of European, Egyptian, and Asiatic labor, from which it has been lifted up, as the sun will rise in the East and set in the West. If American labor, having the power in its hand, will not protect itself, the fault of parting with its rights, will lie at its own door. The struggle has been a great one, and it will yet be long protracted. Either the rights of American labor must give way, or the despotic rule of the old world must yield to the claims of freedom. It is impossible that both should stand. And so long as both are in conflict, we shall not fail to realise a sturdy hostility from tottering and crumbling thrones, gathering fresh vigor from despair, assisted by their agents in our own bosom, who are paid by their gold.

§ 25. *Our domestic and foreign trade.*

From Senate Document, No. 340, 2d Session, 27th Congress, we learn, that the internal commerce, or domestic trade of the United States, is *two thousand millions of dollars annually*. Having made this quotation, as it stands in a public document, we would add, that in our opinion, this estimate is *one fifth or five hundred millions* less than the facts would warrant. The Honorable Senator, the author of the above cited document, once stated to us a few facts, from which he deduced the conclusion, that the annual amount of exchanges required to carry on this domestic trade, could not be less than *four hundred millions of dollars*. Add to this all the money required to be used in paying for the labor employed in producing these fruits of the earth, and these materials, goods, and merchandise; add all required to pay for their transit from one point to another and in the retail distribution of them, and it will be seen, that it not only requires a large circulating medium, which nothing but banks could furnish, but great activity of the same. It will also be seen, as our annual exports do not usually exceed *one hundred millions*, that our domestic trade is about *twenty to one* of our foreign trade, and that on the former, therefore, is our chief reliance for the reward of American labor and industry. The work of production, and the carrying on of this trade, must of course form innumerable commercial relations between the producers and the consumers, between the employers and the employed, between the laborers and the moneyed capitalists. Nearly the entire subsistence, and nearly all the growing wealth of the people of this country, spring from the employment of this capital, and from the action of the labor and industry sustained by it.

§ 26. *Deductions from the foregoing facts and reasonings.*

1. Though money is usually understood to be designated by the term *capital*, in the commercial world, it appears, that labor, together with those moral qualities which enter into it, constitutes the original and fundamental capital of human society, and is more important and more productive. 2. That the capital of labor is more influential and more commanding, socially and politically. 3. That the relation of labor to moneyed capital, is that of the agent to the instrument, of the hand to the tool. 4. And therefore, that the position of the capital of labor is more dignified, and worthy of more respect. 5. That the interests of labor are best promoted by the activity of moneyed capital. 6. That the interests of labor require the existence of corporate bodies, so far as may be necessary to set on foot and accomplish commercial and other useful works and enterprises, which are beyond the capacity of individual capital and unassociated effort. 7. That since banks and other corporations give security to and invite the investment of moneyed capital, it is the only mode by which that species of capital can be brought into effective use for the benefit of the public. 8. That the multiplication of corporations, on right principles, augments democratic influence, by the distribution of the powers of government among the people. 9. That the tendency of labor is to wealth, and that of wealth to want. 10. That the political power of labor in American society, is dominant, and only requires correct information, as to its best interests, to secure them, in the administration of public affairs. 11. That the vitality of moneyed power lies in the arm of labor. 12. That, in the relation of moneyed capital to labor, labor has the best chances. 13. That a correct view of this relation, in its practical effects, is of great political importance. 14. That a great and disastrous political heresy, in regard to this relation, has for a long time pervaded and controlled the counsels of our government. 15. That the rich can hide from a storm raised by government against them, while all its merciless peltings fall upon the poor. 16. That the true policy is always to encourage the investment of moneyed capital, so that labor can reap the benefit. 17. That a home market is the most productive source of national wealth. 18. That labor in this country occupies an eminently high social and political position, as compared with labor in all other parts of the world. 19. That labor is honored of God, and therefore worthy of universal respect. 20. That it is most healthful to body and soul. 21. That it is most fruitful of contentment. 22. That with American society, commenced a new era of labor in the history of the world. 23. That the advancement and consummation of this era, is contingent on a *protective* tariff. 24. That our home trade is twenty times as great as our foreign trade. 25. That every American laborer can stand up proudly, and say, **I AM THE AMERICAN CAPITALIST**, which is not a metaphor, but literal truth.

§ 27. *A picture.*

We will suppose, that the government, in making war on the moneyed capital of the country, and on the various institutions, corporations, and enterprises, in which it was invested, has succeeded in suppressing them; that it has broken down all the banks, dissolved all moneyed corporations, stopped all public works and public improvements, and will neither do these things itself, nor allow others to do them. There is no less money in the country, than there was before, other things being equal; but it is chiefly out of sight, and little of it in use. The thousands, tens of thousands, hundreds of thousands of laborers,

whose families depend on their daily wages for daily bread, solicit employment, but there is nobody to hire them; at least, not more than one in many of them can get anything to do. The soil of the country yields bountifully to the labors of the husbandman, but there is no market for its products; the buzz and din of our manufactories have ceased, and they who worked in them have disappeared; the mechanic finds little encouragement for the use of his art; commerce drops her wings, and her ships are eaten up by worms; the banks of our canals are falling in like a neglected ditch; our railways rust, and there is no motive to repair the damages of time; our cities are noiseless, and the grass grows in the streets; and the whole country has fallen into a deep sleep, a perpetual sabbath of repose. But there is poverty, hunger, nakedness, and universal misery. The wheels of government go heavily along, for lack of wherewithal to grease them.

We admit that such a state of things is not very likely to come to pass; for the people, in 1810, proved, that they are capable of foreseeing the evil, and of preventing it. But we respectfully submit, that some such consequences must necessarily come to pass, from a full and complete operation of such a destructive system. Nay, we have had some foretaste of it already, as all the people of this country are witnesses, in the partial operation of such measures. The effect has been, to stop the use of money, by breaking down those institutions, through whose instrumentality alone it can be had, to answer the demands of this great and enterprising country. For an eighth of a century, we had been rapidly marching toward the consummation of such a destiny, and it is yet to be decided, probably in 1844, whether we shall get in that path again.

§ 28. *A great Fact.*

Till within a few years, the prosperity of this country and its increasing wealth, have been unexampled in the history of nations. Small as our population was, comparatively, and comparatively poor, the debt incurred by the war of Independence, was shouldered by the nation, and between that period and the second war with Great Britain, it was nearly liquidated. This second struggle brought upon us another burden, but this too, was all paid off in about twenty years, and in 1836 we had a surplus revenue of *thirty six millions* to distribute among the states. This is a great and comprehensive fact, to which we desire to call very special attention. During this half century of prosperity, we labored under some disadvantages, from various causes, probably from none more, than from the want of a proper adjustment and uniform action of our tariff system. Nevertheless, we struggled through them all, and they proved insufficient materially to mar our prosperity, or put in check our increasing wealth.

§ 29. *Another great Fact.*

It is certainly very remarkable, in view of the previous history of our national finances, which had improved so steadily, and at last swelled to such a scale of income, that, on a sudden, this current of our public affairs should be *reversed*: that, in a time of peace, the Government could not get money enough to defray its own expenses, without borrowing; that it was compelled to withhold the fourth instalment of the public funds voted to the States in 1836; and that the expenditures and appropriations of the Government, from the 4th of March, 1837, to the 4th of March, 1841 (*only four years*), should have been some *fifty millions of dollars* in excess of the revenues of the same time! (See our Tract, No. 1, *THE TEST*, pp. 10 and 12.) And it would seem, that the nation has been plunged in a slough of this kind, from which it is very difficult to get out. The causes, which have produced such an amazing reverse in our national fortunes, must have been prodigiously potent. The momentum of a half century of a nation's rapidly increasing prosperity, rising like the sun, and swelling like a mighty river, as it descends into the sea, required no common cause to check, derange, prostrate, destroy it. There is no accounting for this GREAT FACT, except by misgovernment, and that, too, on a stupendous scale. It takes a long time to build up a nation; but destruction is a *quick work*.

In our state of society, a good Government makes a prosperous people. It is impossible, that this country should not be growing great and rich, and that without interruption or check, so long as the various occupations of life are suitably encouraged and protected, each in its fair proportion. But the Government had so legislated away the prosperity of the people, and reduced them to such straits and such distress, that the sources of revenue were cut off and dried up. The public expenditures were also unnecessarily great and prodigal, and altogether unprecedented. (See our Tract, No. 1, pp. 9 and 10.) The people can not supply the wants of the Government, unless the Government gives them a chance. On the other hand, they are sure to make an overflowing treasury, while in a state of prosperity, and under a suitable system of revenue laws. But the success of the Government, in its war on our moneyed institutions and other great enterprises, in which moneyed capital was invested, broke down the currency, which was the means of public wealth, by being the means of private prosperity. The entire credit system of the country, under which we had

grown up, prospered, become wealthy, and powerful, was also assailed by the Government, and bent and broke under the weight of its powerful hand, and by its repeated blows. Was it strange, under such a destructive policy, that the people, the Government, the whole nation were impoverished? The Government had struck the people such heavy blows, so long continued, that the misfortunes of the people fell back on the Government with a weight, under which it reeled, as the people had reeled before, and unfortunately fallen. The Government had ruined a nation's prosperity, and as a consequence bankrupted an overflowing treasury. (See our Tract on the Currency, No. II. p. 16, for the aggregate of losses to the country by that Destructive Dynasty.)

§ 30. *The Chief Cause.*

It is undoubtedly true, that the causes, more properly, perhaps, the *instruments*, have been several, and the system of injury complicated, by which the country has been so fearfully run down. But the *great aim* of that destructive policy, which has been practised upon us, was to *set labor to war against moneyed capital, by legislation and Government*; and the *mode* of this warfare was an endeavor to cripple and break down those institutions and enterprises, in which the moneyed capital of the country was chiefly vested.

§ 31. *The destructive and fatal effects of this warfare.*

Unless it were proposed to rob moneyed capitalists, and divide the spoils *directly*, any attempt to cripple them by legislation and Government, with the design of better securing the rights of the laboring classes, must necessarily cripple and destroy the latter. Whatever war the Government may wage against capitalists, short of robbing, it is always in their power to withdraw their funds from those uses which have heretofore, in our experience, so well served the convenience of the public and the wants of labor, and turn them into investments, which will only serve themselves. In some respects, and to no small extent, they would be able to serve themselves much better than before, as by exorbitant usury, and in other ways taking advantage of the necessities and distresses of the people, which must necessarily result from such an administration of public affairs. The rich can protect themselves, but the poor can not, when the Government forces all classes to change their modes of business and of living. If the great law of mutual dependence in society be overlooked or violated, in the policy and measures of Government, and an attempt be made to injure and cripple moneyed capitalists, for the benefit of laborers, the most fatal consequences must unavoidably ensue. Facts of this kind have already been alluded to, in cases of exorbitant usury. If the rich can do without the poor, by turning their capital into other investments, than those which give to the latter employment, food, raiment, and a comfortable home, with chances of rising in the world, and of becoming rich in their turn, the poor can not do without the rich, who, in these ways, minister to their necessities, and secure to them the means of bettering their condition. A war upon the rich, in legislation and government, is a war upon the poor, of the worst kind, and of the most disastrous effects. It is a war upon the most vital interests of society, and upon the relations of mankind in the social state, which, if carried out, the entire social fabric must bend and break.

§ 32. *A plain statement.*

Nothing but an extraordinary infatuation could have shut the eyes of the people to the **FACT**, that moneyed capital employed in the country, is for the interests of labor; that its uses afford chances of improvement to those who have little, and give bread, clothing, and a home to the poor; that rich men seek to invest their funds where they can be employed by labor; that the modes of investment are naturally determined by the habits and wants of the commercial, agricultural, manufacturing, mechanical, and other laboring classes of the community; that what these want will be most productive to capitalists, because most beneficial to labor; that capital in large amounts, intrusted to the keeping and management of secondary agents, must necessarily be vested with corporate rights, to be secure for all concerned, and most effective for general good; that moneyed capitalists would never put their funds in other hands without such protection; that banks are necessary to furnish a circulating medium, convenient in form, and adequate for the trade and business of the country; that all these institutions had their origin in the wants and necessities of the people; that in putting down and destroying them, by legislation and Government, the people only put down and destroy themselves; and that the greater the income of capital vested in these various forms, as a permanent state of things, so much greater the evidence of general prosperity.

But the revolution introduced in the financial policy of the Government, and forced on the commercial habits of the people, from 1830 to 1840, broke up all these established relations of the different parts of the community toward each other, and left all in a mass of confusion and ruin, to be reorganized and set in order again, as best they could.

§ 33. *The way it worked.*

It is true, that this work of destruction was not thoroughly carried out, for there was not time for it, before the people, with ruin staring them full in the face, began to feel their danger, by the pressure of present calamity, and showed symptoms of a desire to avoid it. Nevertheless, these old institutions of the country were shaken by the onset; some of them fell down and were entirely broken up; confidence in them was impaired; capitalists knew not where they could safely vest their funds for the uses of the community, and consequently withheld, or withdrew them, or vested them in forms not liable to such attack; the natural connexion between moneyed capitalists and the laboring classes, was dissolved; while the rich were trying to protect themselves from the effects of the war waged upon them, in the uses of the functions of Government, the poor were plunged in want and distress; the financial habits of the Government and the commercial habits of the people were entirely broken up, and precipitated into new modes of action, leading to new, and as could not be avoided, to painful and calamitous results, public and private; the credit and enterprises of the States, were prostrated with the credit and enterprises of the people; the sources of public revenue were exhausted; and Repudiation followed, with its indelible stain on our national character. We need not recite more particularly the ordeal of financial embarrassment and commercial distress, through which this country has so recently passed, by means of this vindictive, insane, and fatal policy.

§ 34. *This war unnatural.*

It is certainly unnatural for labor to do that, which deprives it of tools to work with, cuts off its chances, and involves it in distress. For by breaking down moneyed capital, it breaks down itself. It is moneyed capital which makes business grow and thrive, gives employment to labor, and opens to it avenues to success in life. In the state of American society, and in a prosperous condition of the country, a comfortable degree of wealth is within the reach of every honest, industrious, and enterprising man. The moneyed capitalist has no political superiority or advantage over the laborer, and no right in the republic, which is not secured to both. It is, therefore, the laborer's interest, that the wealth of the rich should be so invested as to impart the greatest activity to trade, and the greatest effectiveness to useful enterprise; and in nothing is this end so surely accomplished, as by those moneyed and other corporations, which are organized for this sole purpose. If this capital were to lie dead, the loss to the country would be immense, and that loss would of course be divided among all classes of people, and participated in by the Government. It is as much the duty of the Government, to endow moneyed capital with the faculties of the greatest activity and effectiveness, as it is the interest of its possessors to consent that it should be so used, and of labor to employ it. What supreme folly, then, for labor to go to war with moneyed capital! It thereby wars against its own life and means of success. The blow aimed at the moneyed capitalist, strikes over on the head of the laborer, and is sure to hurt the latter more than the former.

§ 35. *The capacities of our Country.*

Well and rightly governed, it is capable, not only of astonishing the world, but of astonishing itself. If things do not go on well, it must be owing solely to the perversion of our institutions from their design. There is no sufficient apology, that our general prosperity should ever be interrupted. It is impossible that it should be, except by a violation or misapplication of the trusts reposed in our public functionaries. By a suitable protection of the interests of American labor and industry, from a self-sacrificing rivalry with a foreign, oppressed, and degraded pauperism, which is in no wise mitigated, but only aggravated and rendered more hopeless by the favor done to their oppressors; by a proper encouragement of the voluntary enterprises of our own citizens, the people of this country, with the rich and inexhaustible treasures of creation comprehended in our jurisdiction, are capable of producing amazing results. That almost astonishing height of prosperity, to which we had attained, under all the disadvantages of a defective tariff system, before the advent of the late Destructive Dynasty, is conclusive and impressive evidence of what this nation is capable of, under a wise and faithful administration of our public affairs. We had been put in a train, by which we were enabled to discharge with ease the entire and heavy debt incurred by the last war with Great Britain, and to overwhelm the public treasury with surplus funds; the public domain in the west was in such demand, that the sales of one year amounted to *twenty-four millions of dollars*, and although there were special reasons for this fact, which could not be expected to operate in perpetuity, to an equal extent, nevertheless, in a prosperous state of things, there would be a steady increase in those sales, which, under an equitable system of distributing the proceeds among the States, whose property they are, would relieve the burdens of the indebted States, and give the others a chance for such enterprises as might best promote their interests.

Providence has assigned us a rich, productive, and glorious heritage, and established among us and over us a new, regenerate, and admirable system of Government. It has been abused, indeed; but it is good. All we want is good and faithful men at the head of it. The wealth of the country is inexhaustible, and the enterprise of the people is unsubdued, notwithstanding all our late misfortunes. Give them a good Government, and they can not help going ahead, and outstripping every nation on the globe.

§ 36. *The chances of life in this Country.*

Ours is a country, where men start from an humble origin, and from small beginnings rise gradually in the world, as the reward of merit and industry, and where they can attain to the most elevated positions, or acquire a large amount of wealth, according to the pursuits they elect for themselves. No exclusive privileges of birth, no entailment of estates, no civil or political disqualifications, stand in their path; but one has as good a chance as another, according to his talents, prudence, and personal exertions. This is a country of *self-made men*, than which nothing better could be said of any state of society.

§ 37. *The mutual dependence between the Government and the People.*

Nothing is more instructive to this point, than the chapter of our own history. Except as the Government, by its policy, shall enable the people to prosper, in a free country like ours, where tyrannical exactions can not be enforced, the Government itself can not prosper, but its finances will be embarrassed as soon as its own measures shall have brought embarrassment and distress on the people. A crippled and disheartened population, who have no money, either to pay taxes or buy luxuries, can not send money into the public treasury. While they are poor, the Government will be poor.

§ 38. *A Retrospect.*

Understanding, as we now do, if what we have said is correct, the relation between the labor of the country and its moneyed capital, we must look back with astonishment at the policy of the Federal Administration, from 1829 to 1841, when the cry rung through the land, and never ceased—DOWN WITH THE BANKS! DOWN WITH MANUFACTORIES! DOWN WITH CORPORATIONS! DOWN WITH CAPITALISTS! It is a history that one can hardly believe in!

While memory lasts, and fathers are capable of telling the story to their children; while true Americans are endowed with concern for the welfare of the country, and have virtue enough to stand up for its interests; and while history may be relied upon to discharge its impartial functions, it will not fail to stand stereotyped in the minds of the American people, to be rehearsed to the listening and succeeding generation, and recorded in the annals of this nation, that, for the period above named, we had a *re-lapse* and *col-lapse* in our national welfare, never to be forgotten; that an unlucky star rose in our hemisphere, ascended to its meridian, and marched to the western hills, leaving an OMINOUS TAIL BEHIND; that the people were persuaded for a time, that it was the TRUE SUN, and were hard to be convinced of its eccentric and ill boding character; that it brought famine, pestilence, and death; that demagoguism was the rage of its season, inoculating the poor with a mania against the rich, and the laborer with jealousy against the moneyed capitalist; that the love of ONE MAN POWER, was the chief malady that afflicted the nation, and its ascendancy the most remarkable occurrence of the time; that the long-established, simple, and democratic habits of the people, social and political, were superseded by the dictation of a Chief, and by the aristocratic assumptions of his menials; that new, unheard-of, and destructive doctrines were promulgated for the government of the country; that a well-ordered system of currency was broken up and destroyed; that the useful relations between capitalists and the laboring classes, were violently assailed, and so far dissolved, as to bring great distress on the industrious and working population; that States and large corporations were first enticed to enlist in great enterprises, and then forced to suspend them, and to stop payment, by sudden changes in the policy and measures of the Government; that our credit at home was prostrated, and abroad became the by-word and scorn of nations; that the shameless doctrine of the Repudiation of debts, was for the first time avowed and sanctioned by legislative authority; that the superstructure and very foundations of society were shaken in the general convulsion; in short, that times, modes, customs, morals, and manners underwent a complete revolution, so that the republic that *was*, could hardly be recognised in the new state of things.

It was because the relation of labor to moneyed capital, was entirely mistaken and misrepresented, and a war of Government made upon the latter, as if it was the natural enemy of the former.

§ 39. *The Future.*

The dawn of a brighter day has gleamed, or *begins* to gleam on this long-suffering and much-abused nation. The last (27th) Congress, notwithstanding the TREASON and all its attendant difficulties, gave us a Tariff, which has put us in a position to start for the recovery of a long lost national prosperity. This great boon of Whig policy has operated like a charm on every branch of the business and trade of the country, has brought back the specie, the absence of which had undermined our currency, and the people are beginning to open their eyes to the true character of that Destructive Dynasty through which we have passed. They see what ruin it brought upon us, and begin to understand the causes—especially do they see, that the war of Government on the long-established monetary system of the country and its great commercial and financial agencies, was a war on its labor and industry. This great discovery will lead to important results. The prophecies of the faithful, uttered in dark days, being now interpreted by their fulfilment, the prophets themselves will be honored. What have we suffered as a nation, that was not foretold as the necessary consequence of that destructive policy? What of good was predicted, in the beneficent operation of a Tariff like that of 1842, which the brief experiment does not begin to shower upon us? Who are they that foretold these things? Who is CHIEF among them? The sad and gloomy days of our political misfortunes, it is to be hoped, are drawing to a close. The steady counsels of HENRY CLAY, once and for a long time spurned, are now beginning to be appreciated. The eyes and hopes of the nation are turned and turning to that bright STAR OF THE WEST, and the suffrages of a great people are waiting to honor him. It is yet indeed a *contingent* future, into whose vista we gaze with an interest so profound and intense, and with hopes not unmingled with concern, because it is contingent. Nevertheless, there are certain and numerous facts, rising thick and fast, out of the past and the present, the grateful import of which can hardly be mistaken. The people are waking; they are coming; and in 1844, as in 1840, their power is likely to be felt. Now, as then, they understand what is to be done, to make miscreants tremble, and drive traitors for ever from power and influence. Enough of mischief, surely, has been achieved; LET US TRY FOR THE GOOD.

§ 40. *Revolutions never go backward.*

Under our form of Government, other revolution than that of opinion, is impossible. Can anybody doubt there was a great revolution of this kind in 1840? And where is that feeling? Have the people changed their minds? They would not *act*, till the time of *rescue* should come, and the silly crew at the head of affairs, took the people's *disgust* as a compliment to their *treason*! The *banished* horde also took courage. But the sleeping fires have only been made hotter, by that respect for order which sealed them up, and for a time repressed them. The internal pressure tends upward, to open a place of utterance ere long, and cast its broad light on the dark upper sky, and thence to astonish those below. A free nation, once convinced of its wrongs, must be avenged, and wo to them who have done the wrong! BACKWARD? OR FORWARD? is the question for this nation to answer, and it *will* be answered. They have chosen a LEADER, and the cry is—ONWARD!

§ 41. *The means.*

Much of precious time, and of useful appliances, has been lost, irrecoverably. There is a partial remedy, however, in a more diligent application of time and means yet on hand. Will not they who can speak, make themselves heard; they who can write, take the pen; they who can work, begin to stir; and they who have money, give it freely, at the call of the country? Where is the virtue of '76? The Destructive Dynasty has done us infinitely worse things, than the British Crown ever did. Shall a confidence in our Captain—he is a good one, truly—put us asleep on our arms? *After* the battle, let us hope for the repose, which, in manly conflict, shall have been purchased.

